LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

301 State House (317) 232-9855

FISCAL IMPACT STATEMENT

LS 6179 DATE PREPARED: Nov 9, 2000

BILL NUMBER: SB 56 BILL AMENDED:

SUBJECT: Safety belt violations and other Class D infractions.

FISCAL ANALYST: Sherry Fontaine

PHONE NUMBER: 232-9867

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill provides that \$5 of each \$25 fine imposed by a city or town court for a Class D infraction (including safety belt violations) is to be retained by the political subdivision entering the judgment.

Effective Date: July 1, 2001.

Explanation of State Expenditures:

Explanation of State Revenues: This bill applies to three statutory references of Class D infractions in IC 34-28-5-5: passenger restraint systems (seat belt violations), building and safety regulations (smoke detection devices), and building construction permits (flood control). Only seat belt violations have generated fine revenue in recent years. The future loss of revenue to the state General Fund will vary according to the number of guilty verdicts for seat belt violations. The estimated annual loss in revenue will be about \$145,545.

The number of seat belt violations varies widely year to year with the majority of fines set at the maximum of \$25. It is estimated that \$727,725 are deposited into the state General Fund annually due to seat belt fines. Of this amount, \$5 of every \$25 fine is retained by the political subdivision entering the judgment resulting in an annual revenue loss to the state of \$145,545. This is based on an average of 29,109 guilty verdicts for CY 1998 and CY 1999.

(A total of \$11.05 M in Class A-D infraction judgements was deposited in FY 2000; judgement classes are not accounted separately.)

Explanation of Local Expenditures:

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Explanation of Local Revenues: Additional revenue to local units will vary depending on the disposition of Class D infraction violations. Based on a two-year average, approximately \$145,545 per year in seat belt fines may be deposited statewide to county, city, or town general funds based on judgements of the presiding courts.

State Agencies Affected:

Local Agencies Affected: Counties, cities, and towns.

<u>Information Sources:</u> Melanie Schwartz, Deputy Commissioner, Bureau of Motor Vehicles; Auditor's Trial Balance, June 30, 2000.

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